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C O N F I D E N T I A L SECTION 01 OF 03 KUALA LUMPUR 000645

SIPDIS

FOR EAP AND INR SINGAPORE - PASS TO DAS MARCIEL

E.O. 12958: DECL: 07/22/2028 TAGS: PGOV PREL PHUM KDEM KJUS MY SUBJECT: ANWAR TELLS DIPLOMATS HIS FUTURE IS PRIME MINISTER OR JAIL

REF: A. KUALA LUMPUR 644 - MALAYSIA'S POLITICAL CRISIS

____B. KUALA LUMPUR 609 - UMNO RESISTS REFORM

1C. KUALA LUMPUR 160 - ELECTION SHOCK

Classified By: POLITICAL SECTION CHIEF MARK D. CLARK, REASON 1.4 (B AND D).

Summary

11. (C) An energetic and seemingly confident Opposition leader Anwar Ibrahim told 40 assembled diplomats on July 22 that in the face of government attempts to use sodomy charges to derail his political challenge, he would either become Prime Minister or end up in jail, "and this time I'm not going to jail." Anwar claimed that he had new information that revealed his accuser's extensive contacts with senior police officers prior to the alleged sodomy incident, as well as a medical report that found no evidence of sodomy on the accuser's body. Nevertheless, Anwar and his lawyer anticipated prosecutors would soon file formal charges. Anwar said he quickly would announce his decision to run in by-election so as to become a member of Parliament by September. Anwar's entry into Parliament was "critical" as a condition for those MPs who have agreed to defect to the Opposition. Anwar specifically thanked Ambassador Keith and the State Department for statements of concern, looked to the EU to take a similar stand, and urged other countries at least to raise privately their human rights concerns with Malaysian leaders. While Anwar put on a brave face for the gathered diplomats, if indeed there are only two possible outcomes, at this point it is far more likely that Anwar finds himself behind bars rather than sitting in the Prime Minister's office. End Summary.

Two Possible Outcomes

(SBU) De facto Opposition leader Anwar Ibrahim on July 22 briefed 40 foreign diplomats, including polchief, for over 90 minutes at the Petaling Jaya headquarters of his Peoples Justice Party (PKR). In his presentation, Anwar, looking energetic and confident, laid out a general proposition that given political conditions in Malaysia under UMNO party rule, he would either become Prime Minister or go to jail, "and this time I'm not going to jail.

13. (SBU) Anwar reviewed in detail the sodomy allegations he faces and the signs of political manipulation, drawing ready comparisons with his earlier prosecution for corruption and sodomy in 1998. He highlighted contact between his accuser, Saiful, and Deputy Prime Minister Najib, Najib's wife, and Inspector General of Police (IGP) Musa Hassan, stating he would release new evidence of calls or meetings between Saiful and the IGP weeks before the official sodomy complaint. The Opposition leader also claimed to have medical reports from an examining doctor who concluded that Saiful had not been sodomized or assaulted, but police suppressed the information. Anwar explained his concern over providing DNA samples that could be planted by police to falsify evidence against him, as reportedly happened in the 1998 case.

GOM Leaders' Mala Fide Involvement Plain to See

¶4. (C) Anwar pointed out that no one was investigating the high level government mala fide involvement in the case, evident to the public on a daily basis. On his "commando style" arrest on July 16, Anwar said the "police tactics were intended to intimidate me, and show me as a dangerous criminal." Nevertheless, recent polling showed that the Malaysian public believed the case to be politically motivated. Anwar said he had forgiven those who acted against him in the 1998 corruption and sodomy cases. Showing

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some emotion, however, he vowed that once in power he would strike back at those involved in the current "frame-up," and then immediately clarified that they would face legal consequences.

Charges Imminent

15. (C) Anwar explained the government likely would proceed to charge him with sodomy (a criminal offense in Malaysia, whether or not consensual) as a clear means to "derail" Anwar and the Opposition's political ambitions. The GOM already had identified a pliant judge and was assembling a prosecution team. If the government decides to proceed, "they must charge me very soon." Anwar's lawyer and PKR vice president Sivarasa Rasiah told polchief in even clearer terms that charges against his client were imminent.

Quick By-Election "Critical" to Anwar's Plans

- 16. (SBU) Anwar claimed that the sodomy allegation had been timed to frustrate his previously planned announcement of a by-election bid. "My by-election is critical," he explained, because East Malaysian and other government MPs who wish to cross-over want Anwar to be a member of Parliament before they proceed with a vote of no-confidence against the government. (Note: Only as an MP would Anwar be eligible to become Prime Minister. End Note.) All but "several" MPs have stuck with their promise to cross-over, Anwar claimed, and the ruling UMNO party and police internal intelligence (Special Branch) knew this. Noting the Electoral Commission must hold a by-election within two months of a vacancy, Anwar indicated he would very soon decide on which race to pursue so as to become an MP by "mid-September."
- 17. (SBU) Why was it critical to seek the cross-overs and bring down the UMNO-led government rather than waiting until the next election, Anwar asked rhetorically. The Opposition parties would not face a free and fair election, he argued, and the provision for legal challenges to election results was designed to frustrate most challenges.

18. (SBU) In response to a question on the views of the Malay rulers toward the Opposition's goals, Anwar said that normally politicians must be very cautious in making comments about the King and other Royals. "We need to keep then informally informed" of Opposition views and plans. "I understand they will act strictly in accordance with the Constitution," and Anwar said the Perak Regent's July 21 widely publicized remarks on the role of the monarchy "affirm that belief."

PAS-UMNO Talks

19. (SBU) Regarding controversy within the Malaysian Islamic Party (PAS) over talks with UMNO, and the risk that PAS leaves the opposition fold, Anwar said this represented an internal party matter for PAS that the government was playing up in the media. PAS president Hadi Awang had spoken with Anwar on July 21 to reaffirm PAS's commitment to the Opposition coalition. Anwar said he had also received overtures from PM Abdullah, but had "promised to keep this confidential."

Governance, Foreign Policy

110. (SBU) Anwar briefly described his approach to governance and foreign policy. "I'm a firm believer in market economics. Promoting democracy and market economics are critical, and go hand-in-hand," he stated. "We need to make Malaysia more attractive as an investment destination," something that UMNO had lost by its insistence on Malay

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preferences under the New Economic Policy, which disproportionately benefit Malays elites, not the poor. Malaysia needed "social and distributive justice" not based on race, but on need. In foreign affairs, Anwar said he would seek to maintain strong relations with the U.S. and EU, while also pursuing close ties to all countries, including "Iran and Sudan." He noted his strong objection to the U.S. "occupation of Iraq," while recognizing the Saddam Hussein committed many atrocities against the Iraqi people.

Appeal to Foreign Governments

- 111. (SBU) Speaking to the group, Anwar thanked the U.S. State Department, Senator Biden and various international non-governmental groups for their statements of concern over his July 16 arrest. He noted that he had received private expressions of support from the South African government, and was in touch with prominent figures in Europe and Canada. Anwar said he expected the U.S. and the EU (heretofore silent) to speak out on important human rights and rule-of-law aspects of his situation. He skillfully prodded other countries by noting he understood their concern for their bilateral relations with the Malaysian government, and urged them at least to take up such human rights issues in private. "You must demonstrate the international community is not deaf and dumb to these human rights violations," he concluded.
- 112. (C) In a pull-aside with polchief, Anwar conveyed his personal thanks to Ambassador Keith for his remarks on the day of the arrest, and for the Spokesman's press statement in Washington later the same day. Polchief said these statements did not reflect partisan politics, but important principles for the United States.

Comment

¶13. (C) Anwar put a brave, defiant face on the current situation for his first gathering before diplomats since he returned to active political life in late 2006. He appeared animated, energetic and at times emotional. Nevertheless, if indeed there are only two possible outcomes, under current circumstances it is far more likely that Anwar finds himself behind bars rather than sitting in the Prime Minister's office. We agree with his assessment that the government will soon take the next step and bring charges. While Anwar is an extremely resourceful politician, and largely enjoys public sympathy in this situation, the ruling UMNO party sees the case as a critical power match, controls the law enforcement apparatus and appears willing to do whatever it takes to stop Anwar's political designs.